

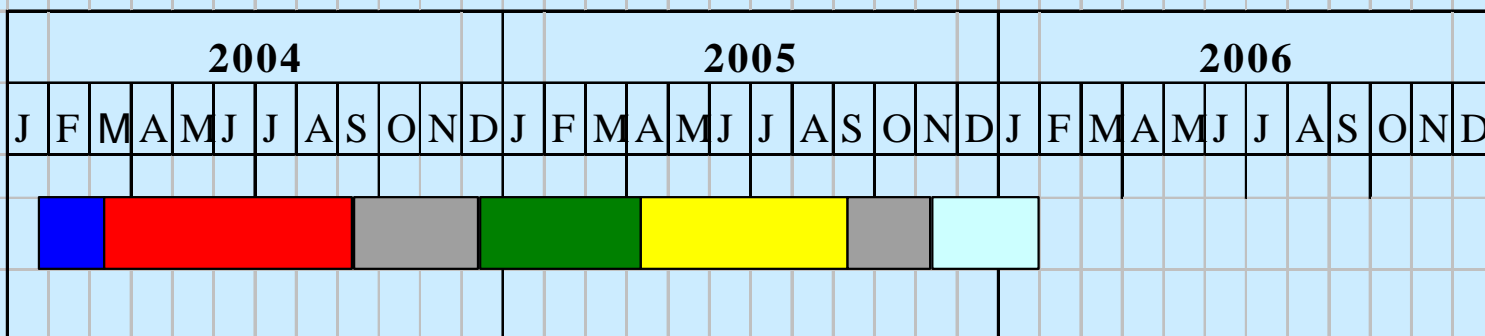
Regulation Development: Technology-Based Numerical Nitrogen and Phosphorus Limitations for Permits in the Chesapeake Bay Watershed



Overall Purpose of Rulemaking:

- Establish technology-based numerical discharge limits for total nitrogen, and possibly revise limits for total phosphorus.
- Assist in meeting the goals and commitments of the *Chesapeake 2000 Agreement* and implementing Virginia's Tributary Strategies.
- Aid in removing Virginia's portion of the Bay and its tidal tributaries from the Impaired Waters list.
- Applicable to Chesapeake Bay watershed VPDES permits, as part of Virginia's Bay Restoration Program.

Schedule Timeline:



Legend

NOIRA



= Notice of Intended Regulatory Action Comment Period (1/26-3/12/04), and Public Meeting (2/26/04)

Reg. Development



= 180 Days for Tech. Advisory Committee, Proposal Development, SWCB Approval for Public Comment, and Submission to Dept. of Planning & Budget

DPB



= Dept. of Planning & Budget Economic Impact Assessment, and Executive Review

NOPC



= Notice of Public Comment Period and Public Hearing(s)

Final



= 150 Days for Final Revisions, State Water Control Board Adoption and Submission to DPB

DPB



= DPB and Executive Review

Final Effective



= Final Publication, Atty. Gen'l Certification, and Effective Date Publication

Chesapeake 2000 Agreement and Nutrient Reduction Commitments

- **C2K: Improving water quality is the most critical element in the overall protection and restoration of Chesapeake Bay and its tributaries.**
 - **Goal for Nutrients: Correct the nutrient-related problems in the Bay and its tributaries sufficiently to remove them from the list of impaired waters.**
 - **Commitments: Define the water quality necessary to protect living resources and assign load reductions for nitrogen and phosphorus to each major tributary.**

On-going, Inter-related Actions:

- **Develop and adopt water quality standards protective of aquatic living resources.**
 - NOIRA published 11/17/03; comment period ended 1/15/04
 - Ad-hoc Technical Advisory Committee formed
 - Scheduled for completion in early 2006
- **Chesapeake Bay Program nutrient allocations for major basins, and revision of Tributary Strategies.**
- **This rulemaking: Technology-Based Numerical Nitrogen and Phosphorus Permit Limits**
 - Directive from Governor Warner at 2003 Executive Council meeting

New/Revised Standards for Bay and Tidal Water Quality:

Proposed for three water quality parameters:

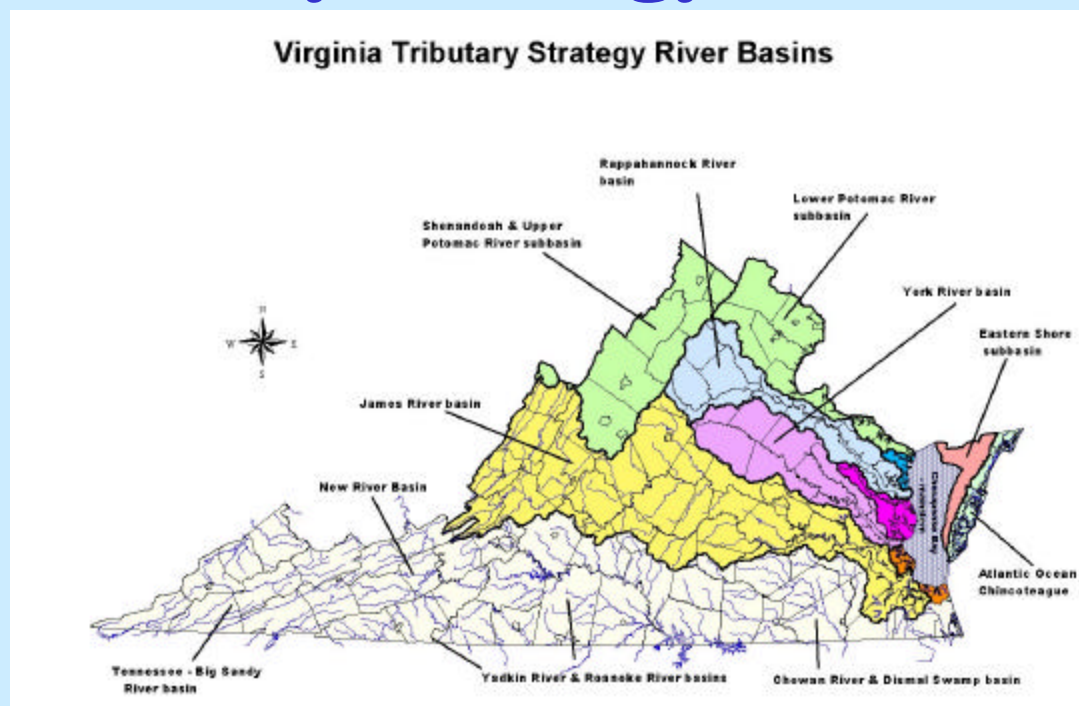
- Dissolved Oxygen
- Water Clarity
- Chlorophyll

Applicable to five designated uses:

- Underwater Grass Habitat
- Fish Spawning/Nursery
- Open Water
- Deep Water
- Deep Channel



CBP Allocations and Tributary Strategy Revisions



Virginia's C2K Nutrient Load Allocations:

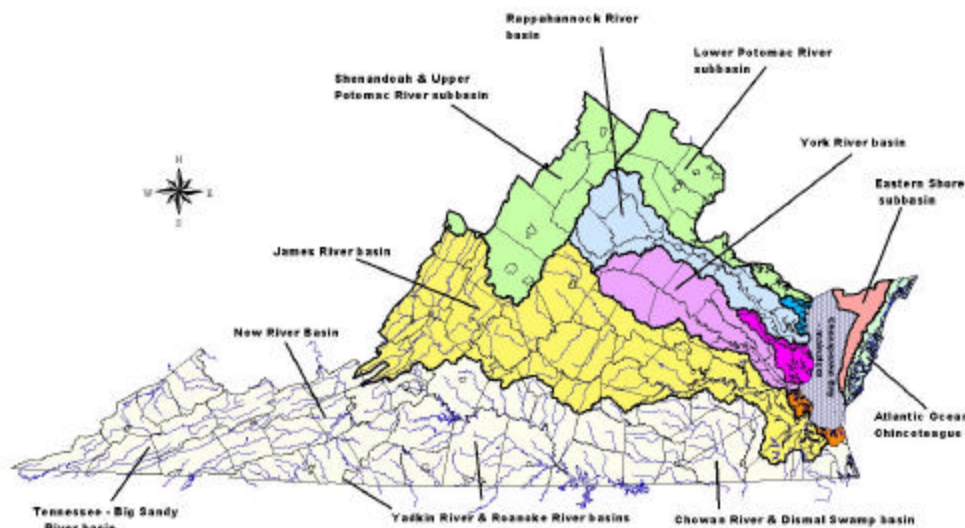
- Nitrogen = 51.4 million lbs/yr
- Phosphorus = 6 million lbs/yr

Estimated 2002 Progress Loadings:

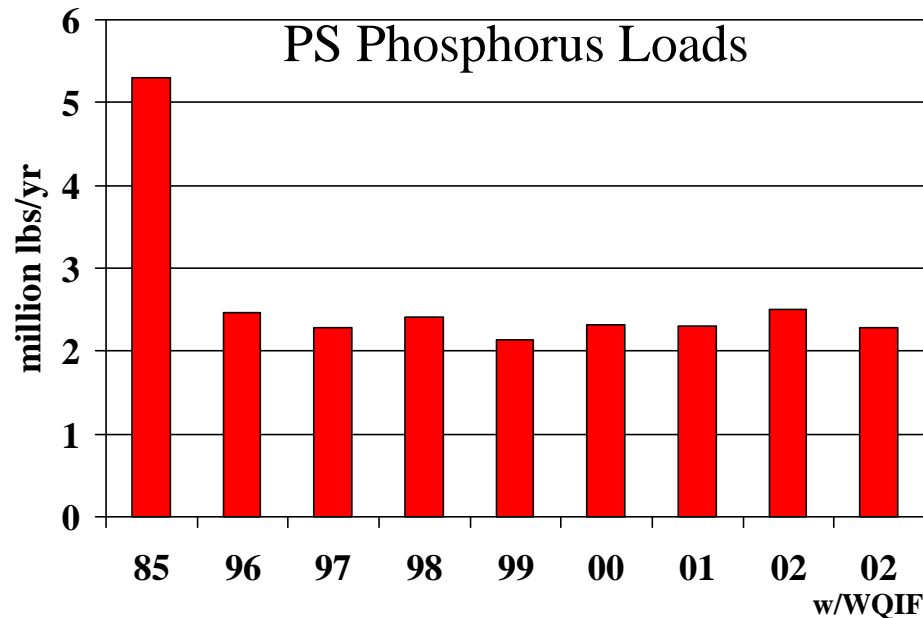
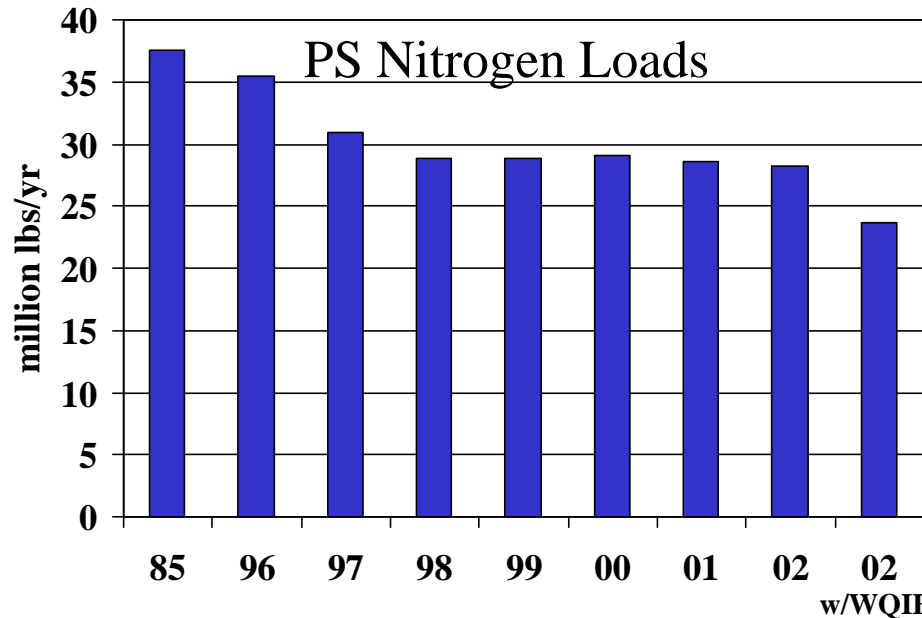
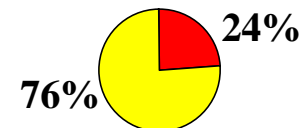
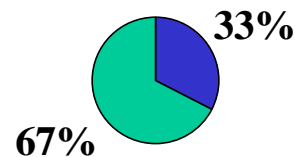
- Nitrogen = 77.8 million lbs/yr
- Phosphorus = 9.8 million lbs/yr

- Revised Strategies scheduled for completion 4/30/04

VA's Bay Watershed N&P Loads



YR 2002
Nitrogen Load Phosphorus Load



PS facilities tracked: 82 municipal; 17 industrial; 23 WQIF projects

This Point Source Nutrient Regulation:

- **Primary action - proposal is to amend the Point Source Policy for Nutrient Enriched Waters (9 VAC 25-40).**
 - Affects certain discharges to Nutrient Enriched Waters
 - Only controls phosphorus at this time
- **Secondary Action - considering amendments to the Water Quality Management Regulation (9 VAC 25-720).**
 - May be needed to formally express basin allocations for point sources

Comparison of Chesapeake Bay Voluntary and Regulatory Processes

Voluntary

- C2K Agreement established framework for delisting the Bay
- CBP has proposed uses and criteria that define a restored Bay
- Pollutant allocations established using Bay models to achieve criteria
- Tributary Strategies will identify management actions to meet allocations

Regulatory

- Water Quality Standards define a restored Bay in regulation and establish endpoints to determine pollution reductions
- Point Source Regulation defines minimum level of treatment
- WQMP regulation, based on Tributary Strategies, identifies loading allocation caps

Basis for VPDES Permit Limits

Combination of these three regulations:

- 1 Point source regulation establishes numerical effluent limits for nutrients**
- 2 Water Quality Management Planning regulation establishes nutrient waste load allocations for nutrients by basin [or discharger]**
- 3 Water Quality Standards regulation establishes uses and criteria that form the basis for needed nutrient reductions**

Status of Existing Point Source Nutrient Control

Combination of *regulatory* and *voluntary* measures:

- Potomac Embayment Standards
- Occoquan/Dulles Area Watershed Policies
- Point Source Policy for Nutrient Enriched Waters
- WQIF Point Source Grant Program
- Industrial Pollution Prevention Activities

Status of Existing Point Source Nutrient Control

Potomac Embayment Standards:

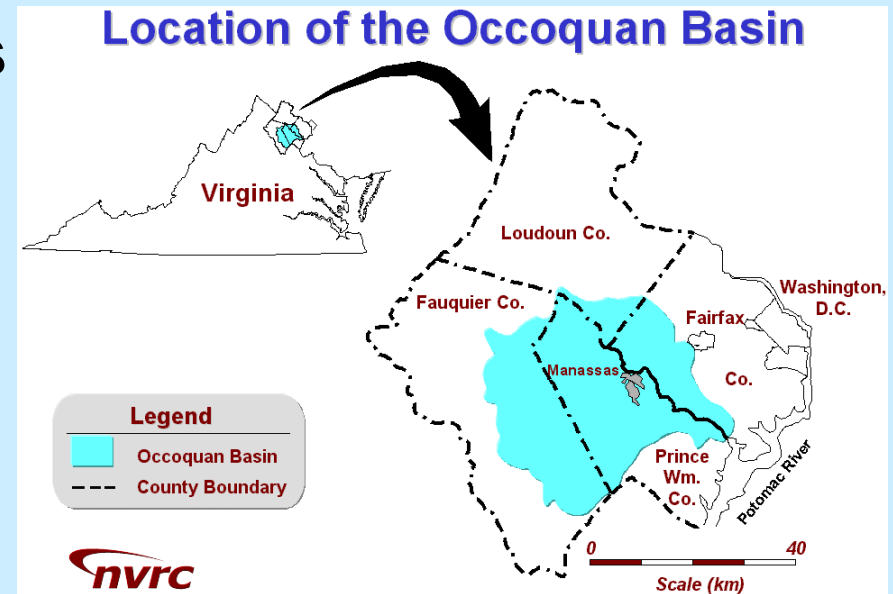
- Controls point source discharges into VA's Potomac embayment waters from Chain Bridge in Arlington Co. to Route 301 Bridge in King George Co.
- Monthly average phosphorus limit = 0.18 mg/l
- Adopted in response to severe nutrient enrichment impacts (algae blooms) in local receiving waters



Status of Existing Point Source Nutrient Control

Occoquan/Dulles Area WS Policy:

- Part of a comprehensive management program for this 590 sq. mi. watershed
- Along with the Potomac, provides drinking water to nearly 1.2 million people
- Requires extremely high quality wastewater treatment, with monthly average phosphorus limit = 0.10 mg/l (the 'limit-of-technology')



Status of Existing Point Source Nutrient Control

PS Policy for Nutrient Enriched Waters:

- Applies to “nutrient enriched” waters (identified in WQ Stds.); generally the Bay and tidal portions of it’s tributaries, and some fresh water areas
- Affects VPDES permits with design capacity of 1 MGD or more; and new discharges of 50,000 gpd or greater
- Monthly average phosphorus limit = 2.0 mg/l



WQIF Point Source Grant Program

- Created by 1997 Water Quality Improvement Act
- Special, permanent, non-reverting Fund
- Purpose: provide 50% grants for point source pollution prevention, reduction and control projects
- Initial focus on nutrient reduction as part of Tributary Strategy

WQIF Appropriations Point Source Program	
FY 1998	\$10.00 million
FY 1999	\$37.10 million
FY 2000	\$25.24 million
FY 2001	\$10.30 million
Interest earned (thru '04 YTD)	\$ 10.15 million
TOTAL:	\$92.79 million

WQIF Point Source Grant Program

<u>Project</u>	<u>Grant</u>
ACSA-Stuarts Draft	\$1,382,783
Alexandria	\$20,147,914
Arlington	\$10,816,973
Ch. Co.- Proctors Crk	\$965,560
Dale Serv. Co. #1	\$1,901,057
Dale Serv. Co. #8	\$2,115,053
Fairfax - Blue Plains	\$1,387,500
Fairfax - Noman Cole	\$10,399,500
Fauquier - Remington	\$886,138
FWSA - Opequon	\$2,754,618
Hanover - Totopotomoy	\$2,109,770
HRRSA - N. River	\$2,850,937
Henrico	\$8,906,687
Hopewell	\$2,418,647
Leesburg	\$6,477,734
LCSA - Blue Plains	\$365,500

<u>Project</u>	<u>Grant</u>
PWCSA - Mooney	\$9,094,338
Purcellville	\$1,604,413
SIL - Clean Water	\$2,529,890
Spotsylvania - FMC	\$1,767,000
Spots. - Massaponax	\$4,294,553
Stafford - Aquia	\$351,962
Stafford - L. Falls Run	\$1,962,833
Staunton - Middle River	\$1,236,660



WQIF Point Source Grant Program

***Nitrogen Discharge at Completed Projects:
(requirement for 8 mg/l annual average)***

<u>Project</u>	<u>2003 Avg Nitrogen</u>
ACSA - Stuarts Draft	4.52
Ch. Co. - Proctors Crk	6.58
Dale Serv. Co. #1	3.63
Dale Serv. Co. #8	4.65
FWSA - Opequon	5.72
HRRSA - N. River	6.86
Leesburg	5.90
PWCSA - Mooney	7.53
Stafford - L. Falls Run	4.61
Stafford - Aquia	7.41
Staunton - Middle River	5.70

Industrial Nutrient Pollution Prevention

- A number of industrial plants have reduced nutrient loads through “P2” initiatives
- Usually involves raw materials substitution, side stream treatment, or operational changes in wastewater process

Examples of Industrial "P2" Nutrient Reductions	
Honeywell - Hopewell	TN load down 70% since 1985
BWX-Technologies	TN load down 76% since 1985
Merck	TN load down 64% since 1985
DuPont-Waynesboro	TN load down 84%, TP load down 98%, since 1985
Smurfitt-Stone	TN load down 66%, TP load down 82%, since 1985
Tyson -Glen Allen	TN load down 75% since 1985

NOIRA “Town Hall” Document

- ***Purpose:***
 - Establish numerical total nitrogen discharge limits, and possibly revise total phosphorus limits, for certain permitted discharges in Bay watershed, based on state-of-the-art-technology.
 - Protect State Waters by adopting a regulation that is technically correct, necessary, and reasonable.

The Virginia Regulatory
Town Hall



NOIRA “Town Hall” Document

- ***Substance:***
 - Proposed regulatory action will amend existing provisions on point source nutrient discharges.
 - Water quality in the Bay is significantly impacted by nutrients from point sources (municipal and industrial) and nonpoint sources.
 - A range of technologies are available, and the State Water Control Board will consider all options.

The Virginia Regulatory
Town Hall



NOIRA Alternatives

- 1 Whether implementation at municipal plants should be contingent on availability of construction grants.**
- 2 Whether technology-based TN limit in permit should be 3 mg/l (limit-of-technology), 5 mg/l (enhanced nutrient removal), 8 mg/l (biological nutrient removal), or some other level.**
- 3 Whether phosphorus effluent limit remains as currently defined in PS Policy, or should another technology-based limit be adopted.**

NOIRA Alternatives (cont.)

- 4 Whether assignment of TN and TP limits can be done in ways to ensure that wastewater plants are able to serve future service needs, and also protect the Bay.**
- 5 Whether limits should apply to certain discharges throughout all, or only certain sections of the river basins in the Bay watershed.**
- 6 Whether limits should apply to:**
 - all permitted discharges**
 - those defined in the PS Policy for Nutrient Enriched Waters**
 - “significant” discharges as identified by the Bay Program and included in Tributary Strategies**
 - discharges defined in some other manner**

NOIRA Alternatives (cont.)

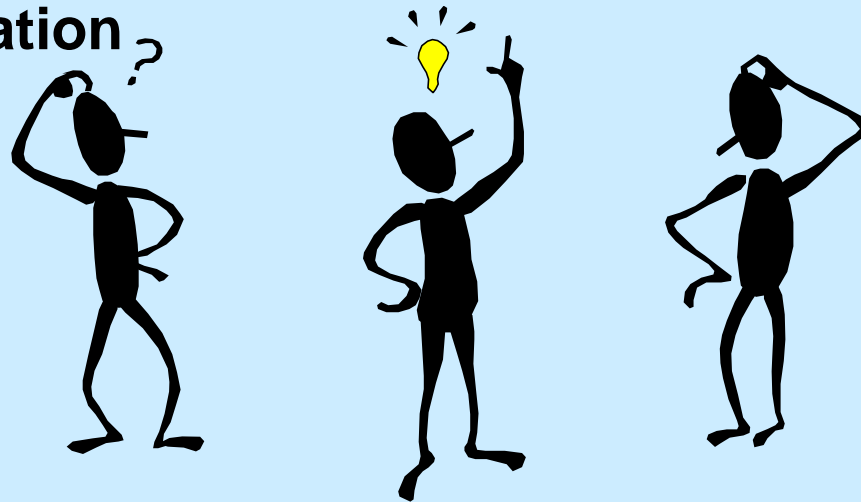
- 7 Whether the monthly averaging period in the PS Policy should be applied to these technology-based limits, or use some other averaging period (e.g., annual average, seasonal tiers).**
- 8 Whether the Policy should also have requirements for nutrient loadings, or should loadings be governed by:**
 - the applicable Tributary Strategy**
 - a Total Maximum Daily Load allocation**
 - some other action by the State Water Control Board**
- 9 Whether the Policy should include a process for granting a variance, due to plant constraints or wastewater type.**

NOIRA Alternatives (cont.)

- 10 Whether the revised Policy should include implementation schedules.**
- 11 Whether the revised Policy should contain provisions for integration with watershed approaches, such as:**
- watershed permitting (e.g., “bubble concept”)
 - point source-to-point source trading
- 12 Whether the individual alternatives listed above should be included in agency guidance or within the Policy itself.**

Public Participation for Regulation Development

- ***Seeking comments especially on:***
 - the intended regulatory action
 - ideas to assist in development of a proposal
 - on the alternatives listed previously
 - the costs and benefits of the listed alternatives and any others
 - impacts of the regulation on farm and forest land preservation?



Technical Documents Supporting Regulation Development

- ***“Economic Analyses of Nutrient and Sediment Reduction Actions to Restore Chesapeake Bay Water Quality”***, May 2003 (incl. Appendices A - D)
<http://www.chesapeakebay.net/ecoanalyses.htm>
- ***“Nutrient Reduction Technology Cost Estimations for Point Sources in the Chesapeake Bay Watershed”***, Nov. 2002
http://www.chesapeakebay.net/pubs/NRT_REPORT_FINAL.pdf

Participatory Approach



- **A Technical Advisory Committee will be formed to assist in Regulation development**
- **Anyone interested in serving on the TAC should contact DEQ staff**
- **DEQ Director will decide TAC membership after close of NOIRA public comment period**

Remaining Actions

- Closing date for NOIRA public comments is March 12, 2004
- General Schedule for TAC meetings: monthly, from mid-March to mid-August
- Plan to submit proposal to State Water Control Board in September

Contact Information

- **DEQ Staff Contact Information:**
 - **Alan Pollock: 804-698-4002**
aepollock@deq.state.va.us
 - **John Kennedy: 804-698-4312**
jmkenney@deq.state.va.us
- **Internet website address for information during rulemaking:**
<http://www.deq.state.va.us/bay/multi.html>